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Consumer Price Index, Washington-Arlington-Alexandria – January 2018 Area prices up 0.9 percent since November; 2.2 percent over the year

The Consumer Price Index for All Urban Consumers (CPI-U) for Washington-Arlington-Alexandria increased 0.9 percent from November to January, the U.S. Bureau of Labor Statistics reported today. Sheila Watkins, the Bureau's regional commissioner, noted that the recent increase was due largely to a 1.0-percent increase in the all items less food and energy index. The food index and energy index also increased since November, up 0.3 percent and 0.7 percent, respectively. (Data in this report are not seasonally adjusted. Accordingly, month-to-month changes may reflect the impact of seasonal influences.)

Over the last 12 months, the CPI-U advanced 2.2 percent, mainly reflecting a 2.3-percent increase in the all items less food and energy index. (See chart 1 and table A.) Since January 2017, the energy index and food index also increased, up 4.9 and 1.0 percent, respectively. (See table 1.)

Chart 1. Over-the-year percent change in CPI-U, Washington-Arlington-Alexandria, DC-VA-MD-WV, January 2015-January 2018 All items Percent change All items less food and energy 3.0 2.0 1.0 0.0 -1.0Sep Nov Jan Jan Jul Jan Mar May Sep Jan '15 '16 '17 '18

Source: U.S. Bureau of Labor Statistics.

Food

The food index increased 0.3 percent over the last two months. Prices for food at home rose 0.3 percent, and those for food away from home were up 0.4 percent. Within the food at home component, prices were higher for various items including snacks, uncooked beef steaks, and chicken.

Food prices increased 1.0 percent over the year. Prices were higher for food away from home (2.2 percent), while prices for food at home inched down 0.1 percent since last January.

Energy

Since November, the energy index, which includes prices for household and transportation fuels, rose 0.7 percent, mainly due to higher prices for gasoline, up 1.0 percent. Prices were also higher for electricity, up 0.5 percent, while prices for utility (piped) gas service decreased 1.1 percent.

Energy prices rose 4.9 percent over the year. The advance was led by a 7.3-percent increase in gasoline prices. Prices also increased over the year for electricity (2.4 percent) and utility (piped) gas service (3.4 percent).

All items less food and energy

The index for all items less food and energy increased 1.0 percent since November. Prices were higher for a number of items including recreation (6.7 percent), apparel (6.3 percent), and household furnishings and operations (2.6 percent), among others.

Since January 2017, the index for all items less food and energy rose 2.3 percent. Higher prices for a number of items, including shelter (2.2 percent), recreation (5.8 percent), and apparel (8.2 percent), contributed to the 12-month increase in the all items less food and energy index.

Table A. Washington-Arlington-Alexandria, DC-VA-MD-WV, CPI-U 2-month and 12-month percent changes, all items index, not seasonally adjusted

Month	2014		2015		2016		2017		2018	
	2-month	12- month								
January	0.2	1.7	-1.1	-0.2	-0.2	1.5	0.2	1.5	0.9	2.2
March	0.8	1.7	1.2	0.2	0.8	1.1	0.4	1.1		
May	0.3	2.0	0.7	0.6	0.8	1.2	0.0	0.3		
July	0.0	1.7	-0.3	0.3	-0.2	1.3	0.0	0.5		
September	0.1	1.1	0.6	0.7	-0.3	0.5	0.9	1.7		
November	-0.3	1.1	-0.4	0.5	0.2	1.1	0.0	1.5		

The Consumer Price Index for March 2018 is scheduled to be released on Wednesday, April 11, 2018, at 8:30 a.m. (EDT).

Consumer Price Index Geographic Revision for 2018

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). As part of the new sample, Washington DC and Baltimore now have separate indexes. The first indexes using the new structure are published for the first time this month. Additional information on the geographic revision is available at: www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm.

Technical Note

The Consumer Price Index for Washington-Arlington-Alexandria is published bi-monthly. The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 94 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers approximately 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 75 urban areas across the country from about 5,000 housing units and approximately 22,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at www.bls.gov/cpi and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at www.bls.gov/opub/hom/pdf/homch17.pdf.

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **Note: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Washington-Arlington-Alexandria, DC-VA-MA-WV, Core Based Statistical Area includes the District of Columbia; the counties of Calvert, Charles, Frederick, Montgomery, and Prince George's in Maryland; the cities of Alexandria, Fairfax, Falls Church, Fredericksburg, Manassas, and Manassas Park and the counties of Arlington, Clarke, Culpeper, Fairfax, Fauquier, Loudoun, Prince William, Rappahannock, Spotsylvania, Stafford, and Warren in Virginia; and the county of Jefferson in West Virginia.

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Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Arlington-Alexandria, DC-VA-MD-WV, (1982-84=100 unless otherwise noted) (not seasonally adjusted)

		Index	ces	Percent change from			
Expenditure category	Historical data	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017
All items	W	257.872		260.219	2.2	0.9	
Food and beverages	M	246.085		247.174	1.0	0.4	
Food	MAY	251.061		251.896	1.0	0.3	
Food at home	W	239.673	238.777	240.404	-0.1	0.3	0.7
Cereals and bakery products	W	318.004		316.057		-0.6	
Meats, poultry, fish, and eggs	W	254.312		255.860		0.6	
Dairy and related products	W	231.916		238.316		2.8	
Fruits and vegetables	W	271.765		268.441		-1.2	
Nonalcoholic beverages and	W	202.559		203.682		0.6	
beverage materials(1)		202.559		203.062		0.6	
Other food at home	MA	195.012		196.129		0.6	
Food away from home	Mr	266.420		267.370	2.2	0.4	
Alcoholic beverages	Mr	197.907		201.600	0.3	1.9	
Housing	M	269.128		270.548	2.3	0.5	
Shelter	MY	325.485	324.935	326.513	2.2	0.3	0.5
Rent of primary residence(2)	W	354.752	356.302	357.181	3.4	0.7	0.2
Owners' equivalent rent of residences(2) (3)	W	332.198	333.605	333.814	2.0	0.5	0.1
Owners' equivalent rent of primary residence(2)(3)	W	332.198	333.605	333.814	2.0	0.5	0.
Fuels and utilities	Mr	230.191		230.398	2.2	0.1	
Household energy	Mr	181.293	181.263	181.471	2.6	0.1	0.1
Energy services(2)	W	185.635	185.735	185.896	2.6	0.1	0.1
Electricity(2)	W	208.910	209.869	209.977	2.4	0.5	0.1
Utility (piped) gas service(2)	MY	132.486	130.797	131.044	3.4	-1.1	0.2
Household furnishings and operations	M	101.469		104.145	3.0	2.6	
Apparel	W	154.720		164.464	8.2	6.3	
Transportation	Mr	212.978		212.173	2.0	-0.4	
Private transportation	Mr	209.962		211.267	2.2	0.6	
New and used motor vehicles(4)	Mr	92.639		92.400		-0.3	
New vehicles(1)	N	196.490		198.215		0.9	
Used cars and trucks(1)	Mr	287.616		290.881		1.1	
Motor fuel	N	235.101	231.847	237.532	7.4	1.0	2.5
Gasoline (all types)	Mr	232.518	229.284	234.870	7.3	1.0	2.4
Gasoline, unleaded regular	Mr	226.827	223.871	229.443	7.5	1.2	2.5
Gasoline, unleaded midgrade(5)	M	231.914	228.957	233.174	7.1	0.5	1.8
Gasoline, unleaded premium	M	248.810	243.289	248.424	6.1	-0.2	2.1
Motor vehicle insurance(1)	MA	859.836		866.413		0.8	
Medical care	W	448.308		449.867	1.6	0.3	
Recreation(4)	W	111.840		119.283	5.8	6.7	
Education and communication(4)	N	155.031		155.486	-0.3	0.3	
Tuition, other school fees, and child care(1)	W	1,371.008		1,376.457		0.4	
Other goods and services	W	401.098		404.909	1.8	1.0	
Commodity and service group							

Note: See footnotes at end of table.

Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods, Washington-Arlington-Alexandria, DC-VA-MD-WV, (1982-84=100 unless otherwise noted) (not seasonally adjusted) - Continued

		Inde	xes	Percent change from			
Expenditure category	Historical data	Nov. 2017	Dec. 2017	Jan. 2018	Jan. 2017	Nov. 2017	Dec. 2017
Commodities	W	176.621		179.373	1.3	1.6	
Commodities less food and beverages	MA	141.353		144.653	1.6	2.3	
Nondurables less food and beverages	MY	186.684		192.921	4.5	3.3	
Durables	MY	99.476		100.445	-1.4	1.0	
Services	MY	331.613		333.440	2.7	0.6	
Special aggregate indexes							
All items less shelter	MY	230.673		233.520	2.3	1.2	
All items less medical care	MA	248.877		251.266	2.3	1.0	
Commodities less food	MY	143.975		147.303	1.6	2.3	
Nondurables	MY	215.501		219.237	2.5	1.7	
Nondurables less food	MA	187.471		193.500	4.2	3.2	
Services less rent of shelter	MA	349.708		352.585	3.1	0.8	
Services less medical care services	MY	320.588		322.420	2.8	0.6	
Energy	MA	208.555	207.216	209.916	4.9	0.7	1.3
All items less energy	MY	264.947		267.400	2.1	0.9	
All items less food and energy	MA	268.698		271.447	2.3	1.0	

Footnotes

Note: Index applies to a month as a whole, not to any specific date.

⁽¹⁾ Indexes on a November 1977=100 base.

⁽²⁾ This index series was calculated using a Laspeyres estimator. All other item stratum index series were calculated using a geometric means estimator.

⁽³⁾ This index series underwent a change in composition in January 2010. The expenditure class now includes weight from secondary residences, and has been re-titled "Owners' equivalent rent of residences." The item stratum "Owners' equivalent rent of primary residence" excludes secondary residences.

⁽⁴⁾ Indexes on a December 1997=100 base.

⁽⁵⁾ Indexes on a December 1993=100 base.